



AR19

To the Shareholders:

TAKE NOTICE that the Sixty-Third Annual Meeting of the holders of Common Shares of NORANDA INC. will be held in the Concert Hall at The Royal York Hotel in the City of Toronto, Ontario on Friday, the 25th day of April, 1986 at 2:30 p.m. (Toronto time) for the following purposes:

- (i) to receive reports and financial statements;
- (ii) to elect directors;
- (iii) to appoint auditors and authorize the directors to fix the remuneration of the auditors.

A copy of the reports and the financial statements to be laid before the Meeting is forwarded herewith.

Shareholders who are unable to attend the Meeting in person are requested to date, sign and return the enclosed form of proxy in the return envelope provided.

DATED this 14th day of March, 1986.

By order of the Board,

B. H. GROSE,
Secretary.



MANAGEMENT INFORMATION CIRCULAR

This information circular accompanies the Notice of the Annual Meeting of the holders of Common Shares of Noranda Inc. (the "Corporation") to be held on April 25, 1986 and is **furnished in connection with the solicitation by the management of the Corporation of proxies for use at the Meeting**. The solicitation will be primarily by mail but proxies may also be solicited by regular employees of the Corporation. The cost of such solicitation will be borne by the Corporation.

The persons named in the enclosed form of proxy are officers of the Corporation. Shares represented by properly executed proxies in the enclosed form deposited with The Royal Trust Company, P.O. Box 7500, Station 'A', Toronto, Ontario, M5W 1P9 prior to the day of the Meeting or with the chairman thereof will be voted for or withheld from voting in accordance with the instructions of the shareholder on the proxy on any ballot that may be called for. In the absence of any instructions on the proxy, such shares will be voted at the Meeting:

- (i) **for the election as directors of the Corporation of the persons listed under the heading Election of Directors below; and**
- (ii) **for the appointment of Clarkson Gordon as auditors of the Corporation and to authorize the directors to fix their remuneration.**

The enclosed form of proxy confers discretionary authority with respect to amendments or variations to the matters identified in the Notice of Meeting and other matters which may properly come before the Meeting.

A shareholder who has given a proxy may revoke it by an instrument in writing, including another proxy, executed by the shareholder or by the shareholder's attorney authorized in writing and deposited at the registered office of the Corporation at Suite 4500, Commerce Court West, Toronto, Ontario, M5L 1B6 prior to the day of the Meeting or with the chairman thereof.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

129,258,659 Common Shares, 3,583,259 Series A Preferred Shares and 2,011,507 Series B Preferred Shares of the Corporation are outstanding. Each holder of Common Shares is entitled to cumulative voting rights in the election of directors, as discussed under the heading Election of Directors below, and to one vote on all other matters to come before the Meeting for each Common Share registered in the shareholder's name on the list of holders of Common Shares prepared as of April 3, 1986 unless a person has transferred shares after April 3, 1986 and the new holder of such shares establishes proper ownership and requests the Secretary of the Corporation by April 15, 1986 to be included in the list of holders of Common Shares.

The management of the Corporation understands that Brascade Resources Inc. owns 56,477,749 Common Shares (43%) and 1,581,466 Series A Preferred Shares (44.1%) of the Corporation.

ELECTION OF DIRECTORS

It is proposed to nominate the 19 persons listed below for election as directors of the Corporation to serve until the next annual meeting of the shareholders of the Corporation or until their successors are duly elected or appointed, unless any such person is not available to act as a director, in which event a substitute may be nominated.

Each holder of Common Shares will have the right to cast a number of votes equal to the number of directors to be elected in respect of each Common Share in the election of directors, and he may cast all such votes in favour of one nominee or distribute them among the nominees in such manner as he sees fit. If a shareholder votes for more than one nominee without specifying the distribution of his votes among such nominees, he shall be deemed to have distributed his votes equally among the nominees for whom he has voted. On any ballot that may be called for in the election of directors, the persons named in the enclosed form of proxy will cast the votes to which the shares represented by such proxy are entitled among the proposed nominees whose names are set forth below in such manner as such persons in their discretion may determine, unless the shareholder who has given such proxy has directed that the shares be otherwise voted or withheld from voting in the election of directors. If a shareholder who has given such proxy desires to distribute his votes in a particular manner, a statement to that effect, indicating the number of shares to be cast for each nominee for whom he wishes to vote, should be signed by the shareholder and returned with the enclosed form of proxy.

Proposed Nominees	Principal Occupation	Director Since	Number of Common Shares Owned March 14, 1986
J. W. Bird, Fredericton, N.B.	Chairman, J. W. Bird and Company Limited (Distributor of construction materials) and General Manager, Bird Holdings Ltd. (Property investments)	1983	2,000
*Jack L. Cockwell, Toronto, Ontario	Executive Vice-President, Brascan Limited. (Natural resources, consumer products and financial services)	1981	3,000
James C. Dudley, New York, New York	Managing Partner, Dudley & Company. (Investments)	1970	300
*J. Trevor Eyton, Q.C., O.C., Toronto, Ontario	President and Chief Executive Officer, Brascan Limited. (Natural resources, consumer products and financial services)	1981	3,000
Brian Flemming, Q.C., Halifax, Nova Scotia	Partner, Stewart MacKeen & Covert. (Law firm)	1981	50
Denis S. Giroux, Montreal, Quebec	Vice-President Corporate Investments, Caisse de dépôt et placement du Québec. (Investment fund management)	1985	—
*Pierre Lamy, Montreal, Quebec	Economic and financial consultant.	1981	800
**Paul M. Marshall, Calgary, Alberta	President and Chief Executive Officer, Westmin Resources Limited. (Natural resource exploration and production)	1981	500
David E. Mitchell, O.C., Calgary, Alberta	President and Chief Executive Officer, Alberta Energy Company Ltd. (Energy and industrial related projects)	1973	11,100

Proposed Nominees	Principal Occupation	Director Since	Number of Common Shares Owned March 14, 1986
*André Monast, Q.C., **Quebec, Quebec	Partner, Stein, Monast, Pratte & Marseille. (Law firm)	1966	5,000
Donald S. McGiverin, Toronto, Ontario	Governor, Chairman and Director, Hudson's Bay Company. (Merchandising)	1980	4,500
*W. Darcy McKeough, **Chatham, Ontario	Chairman, Union Gas Limited. (Gas transmission and distribution)	1979	3,000
**Fernand Paré, Quebec, Quebec	President and General Manager, La Solidarité, Compagnie d'assurance sur la vie. (Life insurance)	1981	531
*Alfred Powis, O.C., **Toronto, Ontario	Chairman and Chief Executive Officer, Noranda Inc.	1964	66,895
Antoine Turmel, O.C. Montreal, Quebec	President, Turan Investments Inc. (Investments)	1981	14,400
H. Richard Whittall, Vancouver, British Columbia	Vice-Chairman and Director, Richardson Greenshields of Canada Limited. (Investment dealers)	1982	5,000
*William P. Wilder, **Toronto, Ontario	Chairman, The Consumers' Gas Company Ltd. (Gas utility)	1966	5,000
Harold M. Wright, O.C., Vancouver, British Columbia	Chairman, Wright Engineers Limited. (Consulting and design engineers)	1981	1,285
*Adam H. Zimmerman, F.C.A. Toronto, Ontario	President and Chief Operating Officer, Noranda Inc. and Vice-Chairman, Fraser Inc.	1974	67,878

*Members of the Executive Committee.
**Members of the Audit Committee.

NOTES: 1. The information as to shares beneficially owned, not being within the knowledge of the Corporation, has been furnished by the respective nominees.
2. Messrs. Cockwell, Eyton, Flemming, Giroux, Lamy, Marshall, Paré and Wright are nominees of Brascade Resources Inc. pursuant to an agreement dated August 13, 1981 between the Corporation and Brascade Resources Inc.

COMPENSATION OF DIRECTORS AND OFFICERS

The Corporation has 19 directors and eight executive officers.

The compensation paid to each director by the Corporation is \$7,000 per annum plus an amount for each meeting of the board of directors attended (other than any meeting held immediately following an annual meeting of shareholders) equal to \$33,250 divided by the number of directors attending such meeting. In addition, each director who is not an officer or employee of the Corporation or any of its subsidiaries receives a fee of \$875 for each meeting of any committee of the board attended.

The aggregate cash compensation paid to the executive officers by the Corporation and its subsidiaries for services rendered during the financial year ended December 31, 1985 is \$1,768,104.93.

Under the Share Purchase Plan of the Corporation, the board of directors from time to time authorizes the Corporation to make an interest-free loan to a trustee to be applied in payment of the subscription price of shares of the Corporation to be purchased by the trustee for sale to key employees designated by the board. Each employee gives the trustee a promissory note for the price of the shares sold to him and pledges the shares as collateral security for the payment of the note. Indebtedness of executive and other senior officers under the Plan during the year ended December 31, 1985 was and at present is as follows:

Name and municipality of residence	Largest amount during year ended December 31, 1985	Amount currently outstanding
Alfred Powis, O.C., Toronto, Ontario	\$ 507,565.76	\$ 309,965.76
Adam H. Zimmerman, Toronto, Ontario	355,893.13	225,893.13
E. Kendall Cork, Toronto, Ontario	243,128.88	149,528.88
Donald H. Ford, Mississauga, Ontario	218,278.88	140,278.88
John A. Hall, Don Mills, Ontario	263,703.88	159,703.88
Keith C. Hendrick, Toronto, Ontario	266,016.38	162,016.38
J. O. Hinds, Toronto, Ontario	229,028.88	145,828.88
R. Peter Riffin, Q.C., Toronto, Ontario	239,428.88	145,828.88
William Allan, Oakville, Ontario	166,328.75	166,328.75
Alexander G. Balogh, Oakville, Ontario	191,516.25	118,716.25
Wilson J. Barbour, Islington, Ontario	90,085.01	64,085.01
Bruce C. Bone, Don Mills, Ontario	113,772.51	61,772.51
Gary H. Corlett, Toronto, Ontario	40,960.01	40,960.01
William G. Deeks, Toronto, Ontario	186,469.92	119,641.25
Peter L. Fowler, Noranda, Quebec	121,285.01	64,085.01
Frank Frantisak, Islington, Ontario	114,262.01	114,262.01
David Goldman, Dollard des Ormeaux, Quebec	121,160.01	121,160.01
John M. Gordon, Toronto, Ontario	154,528.75	102,528.75
John W. Ivany, Toronto, Ontario	50,249.51	50,249.51
Frank X. Koch, Toronto, Ontario	120,710.01	68,710.01
Klaus V. Konigsmann, Oakville, Ontario	109,637.01	109,637.01
Michel Lefebvre, Murdochville, Quebec	111,024.51	111,024.51
Camille Marcoux, Montreal, Quebec	128,472.51	128,472.51
George M. Penna, Thornhill, Ontario	112,874.51	112,874.51
Peter C. McLeod, Manitouwadge, Ontario	50,249.51	50,249.51
Warren E. Stubbington, Mississauga, Ontario	126,835.01	69,635.01
H. Vincent Thomson, Oakville, Ontario	105,838.01	68,710.01
Mark R. Toivanen, Valleyfield, Quebec	119,310.01	119,310.01
John C. White, Oakville, Ontario	144,128.75	102,528.75
Total	<u>\$4,802,742.25</u>	<u>\$3,403,985.58</u>

Under a similar stock purchase plan of Fraser Inc., Adam H. Zimmerman is presently indebted for the amount of \$16,384.

The Corporation has employment contracts with all of the executive officers. Each employment contract provides for the employment of the executive officer for consecutive two-year periods at a salary not less than his 1981 salary with increases to take into account increases in the cost of living and his performance. Either the Corporation or an executive officer can terminate the employment of the executive officer without cause at the end of any consecutive two-year period upon 12 months' prior notice and for cause upon 90 days' prior notice and the employment of an executive officer is automatically terminated when the executive officer is incapable of discharging his duties for six months, retires or dies. In the event of termination of employment without cause or by an executive officer for cause, the executive officer is entitled to a retiring allowance of up to a maximum of three times his current annual remuneration and a deferred pension benefit, payable from his normal retirement date, according to the retirement benefit formula provided in the retirement plan of the Corporation calculated on the basis of his annual salary at the time of termination increased annually by the percentage increase in the Consumer Price Index up to his normal retirement date or 10 years following termination, whichever comes first. In the event of termination due to incapacity, an executive officer will be paid an amount equal to two-thirds of his annual remuneration until the end of the two-year period and then a regular monthly amount based on his annual salary prior to termination payable until his normal retirement age or death. In the event of termination due to death, the spouse of an executive officer will be paid an amount equal to his current annual remuneration. Upon the retirement of an executive officer, the executive officer will be paid a retiring allowance equal to the amount, if any, by which the retirement benefit to which the executive officer is entitled under the retirement plan of the Corporation (unrestricted by any governmental limits) exceeds the maximum pension benefit which the Corporation is permitted by any governmental authority to pay the executive officer.

The Corporation provides directors' and officers' liability insurance with a policy limit of \$10,000,000 per year. Under this insurance coverage the Corporation is reimbursed for payments made under corporate indemnity provisions on behalf of its directors and officers and individual directors and officers are reimbursed for losses arising during the performance of their duties for which they are not indemnified by the Corporation. Where the Corporation is permitted to reimburse the insured, the deductible is \$50,000 per occurrence. In the case of events for which the Corporation is not permitted by law to reimburse the insured, the deductible is \$10,000 per individual, with an aggregate limit of \$20,000. In 1985, the approximate amount of the premium for this insurance was \$25,000 and it was paid by the Corporation.

APPOINTMENT OF AUDITORS

The persons named in the form of proxy enclosed with the Notice of Meeting intend to vote for the appointment of Clarkson Gordon, Chartered Accountants, Toronto as auditors of the Corporation at a remuneration to be fixed by the directors.

The contents of this information circular and the sending thereof have been approved by the directors of the Corporation.

DATED this 14th day of March, 1986.

B. H. GROSE
Secretary